



# GIL CISNEROS

Representing **CALIFORNIA'S 39<sup>th</sup>** District

## CARES ACT CORONAVIRUS (COVID-19) SMALL BUSINESS RESOURCES

As our country continues to face unprecedented turmoil caused by the coronavirus pandemic affecting every fabric of our daily lives, American small businesses have been significantly impacted. In response, Congress passed the **Coronavirus Aid, Relief, and Economic Security (CARES) Act**, which included several provisions to offer immediate relief to those small businesses, certain non profits, and other employers.

This guide serves to provide information sourced directly from SBA and the U.S. Department of Treasury to the programs being implemented as a result of the **CARES Act**. As new information continues to evolve daily, please stay in contact with your local Small Business Administration (SBA) [District Office](#).

### **SBA Orange County / Inland Empire District Office**

714-550-7420 / TDD 800-877-8339 or visit their website [link](#).

### **SBA Los Angeles District Office**

213-634-3855 / or visit their website [link](#).

## **SBA FUNDING OPTIONS**

In addition to traditional SBA funding options, the CARES Act established the following temporary programs during COVID-19.



### **Paycheck Protection Program**

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This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.



### **EIDL Loan Advance**

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This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.



### **SBA Express Bridge Loans**

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Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.



### **SBA Debt Relief**

—  
The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.



# **PAYCHECK PROTECTION PROGRAM**

The [Paycheck Protection Program](#) provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities.

## **Fully Forgiven**

Funds are provided in the form of loans that will be fully forgiven when used for payroll costs, interest on mortgages, rent, and utilities. Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

## **Must Keep Employees on the Payroll - or Rehire Quickly**

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

## **Who Can Apply**

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19. Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

## **When to Apply**

Starting April 3, 2020, small businesses and sole proprietorships can apply. Starting April 10, 2020, independent contractors and self-employed individuals can apply. The Paycheck Protection Program will be available through June 30, 2020.

If you wish to begin preparing your application, you can download a copy of the [PPP borrower application form](#) to see the information that will be requested from you when you apply with a lender.

## **How to Apply**

You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program.

Click [here](#) to find a SBA Payroll Protection Program Eligible Lender or [here](#) for more information.

If you are a SBA certified lender and would like more information, click [here](#).

If you would like to become an SBA lender, click [here](#).

Click [here](#) for the updated PPP interim final rule which details the program implementation.

Click [here](#) for a detailed guide from the U.S. Department of Treasury.

Click [here](#) for information in Spanish (en Español).



## **ECONOMIC INJURY DISASTER LOANS (EIDL)** **& EIDL LOAN ADVANCE**

The U.S. Small Business Administration (SBA) provides low-interest economic injury disaster loans (EIDLs) to eligible businesses and most private non-profit organizations that have suffered substantial loss as a result of COVID-19 in declared disaster areas. Click [here](#) for more information.

These are low interest loans up to \$2 million to help meet financial obligations and operating expenses that could have been met had the disaster not occurred. Apply online [here](#) or click [here](#) for more information including forms in Spanish ([en Español](#)).

Due to the CARES Act, part of the EIDL loan includes an EIDL Loan Advance up to \$10,000 which will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. Funds will be made available within three days of a successful application, and **this loan advance will not have to be repaid.**

For questions, please contact the SBA disaster assistance customer service center at (800) 659-2955 or (800) 877-8339 for deaf and hard-of-hearing. You may also email: [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)

For constituents of CA-39, please also send an email to SBA's OC/IE Deputy Director, Christopher Lorenzana at [Christopher.Lorenzana@sba.gov](mailto:Christopher.Lorenzana@sba.gov) and please make sure to cc Erika Flores (Congressman Cisneros' Senior Field Representative) at [Erika.Flores@mail.house.gov](mailto:Erika.Flores@mail.house.gov) so that we may help track your case.



### THE THREE STEP PROCESS: **ECONOMIC INJURY DISASTER LOANS**

#### **About Economic Injury Disaster Loans**

The U. S. Small Business Administration (SBA) provides low-interest, long-term economic injury disaster loans to small businesses, small agricultural cooperatives, and most private non-profit organizations to help meet financial obligations and operating expenses that could have been met had the disaster not occurred. EIDLs provide the necessary working capital to help small business survive until normal operations resume after a disaster.

#### STEP 1: Apply for Loan

- Apply online at the SBA's secure website [disasterloan.sba.gov/ela](https://disasterloan.sba.gov/ela).
- As a small business, small agricultural cooperative, small business engaged in aquaculture, or private non-profit organization you may borrow up to \$2 million for Economic Injury.
- Substantial Economic Injury means that the business is unable to meet its obligations and to pay its ordinary and necessary operating expenses.

#### STEP 2: Loan Processing Decision Made

- SBA **reviews your credit** before conducting an inspection to verify your losses.
- A loan officer will determine your **eligibility** during processing.
- A loan officer works with you to provide all the necessary information needed to reach a loan determination. Our goal is to arrive at a decision on your application within 2 - 3 weeks.
- A loan officer will contact you to discuss the loan recommendation and your next steps. You will also be advised in writing of all loan decisions.

#### STEP 3: Loan Closed and Funds Disbursed

- SBA will prepare and send your Loan Closing Documents to you for your signature.
- Once we receive your signed Loan Closing Documents, a disbursement will be made to you within 5 days.
- Your loan may be adjusted after closing due to your changing circumstances or if the disaster lasts for an extended period of time.



## **SBA EXPRESS BRIDGE LOANS**

The **Express Bridge Loan Pilot Program** authorizes SBA Express Lenders to provide expedited SBA-guaranteed bridge loan financing on an emergency basis in amounts up to \$25,000 for disaster-related purposes to small businesses located in communities affected by Presidentially-declared disasters while those small businesses apply for and await long-term financing, used to bridge the gap while applying for a direct SBA Economic Injury Disaster Loan. For more information, click [here](#).

EBL loans can only be made up to six months after the date of an applicable Presidential Disaster Declaration. For the COVID-19 emergency, EBL loans can be approved through March 13, 2021.

### **Benefits of the Express Bridge Loan Pilot Program?**

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

### **What Lenders are authorized to make an EBL Loan?**

EBL loans can only be made by SBA Express Lenders that had a valid SBA Form 2424, "Supplemental Loan Guaranty Agreement SBA Express Program," in effect as of the date of the applicable disaster. (For the COVID-19 Emergency Declaration, the date of the applicable disaster is March 13, 2020.)

SBA Express Lenders may only make EBL loans to eligible small businesses with which the Lender had an existing banking relationship on or before the date of the applicable disaster. These loans can be used to bridge the gap while applying for the SBA Economic Injury Disaster Loan.

As an EBL loan is limited to \$25,000, a Lender may charge up to 6.5% over the prime rate.

For more information, please click [here](#) or contact your local SBA district office, found [here](#).

## **SBA DEBT RELIEF**

- SBA will automatically pay the principal, interest, and fees of current 7(a) loans for a period of six months.
- SBA will also automatically pay the principal, interest, and fees of new 7(a) loans issued prior to September 27, 2020



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## Thank You!

### OFFICE LOCATIONS

#### Washington, DC Office

431 Cannon House Office Building  
Washington, DC 20515  
(202) 225-4111

#### Chino Hills Field Office

14000 City Center Drive  
Chino Hills, CA 91709  
Office Hours: Every Tuesday from 2:00 - 5:00 PM.  
(714) 459-4575

Red Tailed Hawk Conference Room in the lobby of the City Clerk's Office

#### Diamond Bar District Office

20955 Pathfinder Rd.  
Suite 330  
Diamond Bar, CA 91765  
Office Hours: Monday from 1:00 PM to 5:00 PM; Tuesday through Thursday from 9:00 AM to 5:00 PM; By Appointment Only on Friday.  
(909) 569-0526

#### Fullerton District Office

1440 N. Harbor Blvd.  
Suite 601  
Fullerton, CA 92835  
(714) 459-4575



**Congressman Gilbert R. Cisneros, Jr.**

**Congressman Gilbert R. Cisneros, Jr.** was sworn in as Representative of California's 39th Congressional District on January 3rd, 2019 and is serving his first term in the U.S. House of Representatives. California's 39th District encompasses portions of Orange, Los Angeles, and San Bernardino Counties. Congressman Cisneros currently serves on the House Armed Services Committee (HASC) and the House Veterans' Affairs Committee (HVAC). He is also a member of the Congressional Hispanic Caucus, the Congressional Asian Pacific American Caucus, and the bipartisan For Country Caucus. He is a staunch advocate for our national defense, our servicemembers, and veterans. Congressman Cisneros was born and raised in Southern California and attended college on a Naval Reserve Officer Training Corps (R.O.T.C.) scholarship becoming the first in his family to graduate from college. He currently holds a bachelor's degree in Political Science from The George Washington University, an MBA from Regis University, and a master's degree in Urban Education Policy from Brown University. Congressman Cisneros served as a supply corps officer in the United States Navy completing both a Western Pacific and Mediterranean deployment. He was awarded the Navy Commendation Medal, the Navy Achievement Medal, the National Defense Medal, and the Armed Forces Expeditionary Medal. Prior to serving in Congress, he and his wife Jacki founded the Gilbert and Jacki Cisneros Foundation, which invests in college access and affordability programs for students and veterans. Jacki and Congressman Cisneros have been happily married for 14 years and are the proud parents of five-year-old twin boys.